

- (7) \$3,696 value of loss x 100 percent = \$3,696 indemnity payment.

#### 13. Late Planting

In lieu of section 16(a) of the Basic Provisions, the production guarantee for each acre planted to the insured crop during the late planting period will be reduced by 1 percent per day for each day planted after the final planting date unless otherwise specified in the Special Provisions.

#### 14. Prevented Planting

In addition to the provisions contained in section 17 of the Basic Provisions, your prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. If you have limited or additional levels of coverage, as specified in 7 CFR part 400, subpart T, and pay an additional premium, you may increase your prevented planting coverage to the levels specified in the actuarial documents.

[62 FR 65997, Dec. 17, 1997]

## PART 458—SPECIAL CALIFORNIA CROP INSURANCE REGULATIONS

### Subpart—Regulations for the 1992 through 1994 Crop Years

#### Sec.

- 458.1 Availability of Special California citrus crop insurance.
- 458.2 Premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed.
- 458.3 OMB control numbers.
- 458.4 Creditors.
- 458.5 Good faith reliance on misrepresentation.
- 458.6 The contract.
- 458.7 The application and policy.

AUTHORITY: 7 U.S.C. 1506, 1516.

SOURCE: 56 FR 30490, July 3, 1991, unless otherwise noted.

#### **§458.1 Availability of Special California citrus crop insurance.**

Insurance shall be offered under the provisions of this subpart on citrus in California counties within limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended. The counties shall be designated by the Manager of the Corporation from those approved by the Board of Directors of the Corporation.

#### **§458.2 Premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed.**

(a) The Manager shall establish premium rates, production guarantees, coverage levels, and prices at which indemnities shall be computed for California citrus which will be included in the actuarial table on file in the applicable service offices for the county.

(b) At the time of application, the applicant will select the coverage level (50%, 65%, or 75%) for the 1993 and 1994 crop years. The coverage level for the 1992 crop year will be level 1 (50%). The price selection for the 1992 crop year will be established by the actuarial tables for the applicable type for the crop year.

#### **§458.3 OMB control numbers.**

The OMB control numbers are contained in subpart H of part 400, Title 7 CFR.

#### **§458.4 Creditors.**

An interest of a person in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, involuntary transfer or other similar interest shall not entitle the holder of the interest to my benefit under the contract.

#### **§458.5 Good faith reliance on misrepresentation.**

Notwithstanding any other provision of the Special California citrus insurance contract, whenever:

(a) An insured under a contract of crop insurance entered into under these regulations, as a result of a misrepresentation or other erroneous action or advice by an agent or employee of the Corporation:

(1) Is indebted to the Corporation for additional premiums; or

(2) Has suffered a loss to a crop which is not insured or for which the insured is not entitled to an indemnity because of failure to comply with the terms of the insurance contract, but which the insured believed to be insured, or believed the terms of the insurance contract to have been complied with or waived; and

(b) the Board of Directors of the Corporation, or the Manager in cases involving not more than \$100,000.00 finds that:

(1) An agent or employee of the Corporation did in fact make such misrepresentation or take other erroneous action or give erroneous advice;

(2) Said insured relied thereon in good faith; and

(3) To require the payment of the additional premiums or to deny such insured's entitlement to the indemnity would not be fair and equitable, such insured shall be granted relief the same as if otherwise entitled thereto. Requests for relief under this section must be submitted to the Corporation in writing.

#### **§ 458.6 The contract.**

The insurance contract shall become effective upon the written acceptance on the Corporation's form by the insured of the Corporation's insurance offer. Said offer will be extended only after receipt by the corporation of an application for insurance on a form prescribed by the Corporation and inspection of the grove by the Corporation. The applicant will have 15 calendar days from the date the insurance offer is tendered to accept such offer. The offer will be withdrawn thereafter if not accepted. The contract shall cover the citrus crop as provided in the policy. The contract shall consist of the application, the insurance offer, the acceptance, the policy, an annual field inspection report, and the county actuarial table. Any changes made in the contract shall not affect its continuity from year to year. The forms referred to in the contract are available at the applicable services offices.

#### **§ 458.7 The application and policy.**

(a) Application for insurance on a form prescribed by the Corporation may be made by any person to cover such person's share in the citrus crop as landlord, owner-operator, or tenant. The application shall be submitted to the Corporation at any designated service office on or before the applicable sales closing date.

(b) The Corporation may discontinue the acceptance of applications in any county upon its determination that the

insurance risk is excessive, and also, for the same reason, may reject any individual application. The Manager of the Corporation is authorized in any crop year to extend the closing date for submitting applications in any county, by placing the extended date on file in the applicable service offices and publishing a notice in the FEDERAL REGISTER upon the Manager's determination that no adverse selectivity will result during the extended period.

However, if adverse conditions should develop during such period, the Corporation may discontinue the acceptance of applications.

The provision of the Special California Insurance Policy for the 1992 through 1994 crop years are as follows:

#### *Special California Citrus Crop Insurance Policy*

(This is a three (3) year term contract. Refer to Section 15.)

*Agreement to Insure:* We will provide the insurance described in this policy in return for the premium and your compliance with all applicable provisions.

Throughout this policy, "you" and "your" refer to the insured shown on the accepted Application and "we," "us," "our" refer to the Federal Crop Insurance Corporation.

NOTE: This is a three year policy of insurance. The Corporation, after inspection of the grove, will extend to the applicant, an offer of insurance. Upon acceptance of that offer a contract of insurance will be in existence. The first year's premium and the estimated premium for the remaining two years are due and payable to the Corporation within 45 days of acceptance of the insurance offer. The amount of production used to compute the insurance offer each year will be determined only after the Corporation's annual inspection of the insured's grove. The amount of premium for each of the remaining two years will be determined as a result of the corporation's inspection.

#### TERMS AND CONDITIONS

##### 1. Causes of Loss

(a) For the 1992 crop year the insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

- (1) Frost;
- (2) Freeze;
- (3) Excess moisture; and
- (4) Hail.